

# TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

9 5 - 0 5 2

2. STATE:

LOUISIANA

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

October 29, 1995

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447.253

7. FEDERAL BUDGET IMPACT:

a. FFY 1995-96 \$ 78,939

b. FFY 1996-97 \$ 214,684

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-D page 12

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  
Same (95-38)

10. SUBJECT OF AMENDMENT: The purpose of this amendment is to limit administrative and general support costs to a combined total of twenty-four percent (24%) of all other programmatic costs including plant operation and maintenance, cost related to capital assets, dietary, linen and laundry expenses, personal recipient needs, medical, nursing and therapeutic\*

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ OTHER, AS SPECIFIED:

☒ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

*Rose V. Forrest*

13. TYPED NAME:

*RV* Rose V. Forrest

14. TITLE:

Secretary

15. DATE SUBMITTED:

December 21, 1995

16. RETURN TO:

Department of Health and Hospitals  
Bureau of Health Services Financing  
P. O. Box 91030  
Baton Rouge, LA 70821-9030

## FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

January 2, 1996

18. DATE APPROVED:

JUNE 6, 2001

## PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

OCTOBER 29, 1995

~~XXXXXXXXXX1996~~

20. SIGNATURE OF REGIONAL OFFICIAL:

*Sandra Hall*

21. TYPED NAME:

*for* Steve McAfee CALVIN G. CLINE

22. TITLE: Associate Regional Administrator  
Division of Medicaid

23. REMARKS:

\* expenses, training and educational expenses, recreational, housekeeping, consultant, and in-house ancillary services expenses.

STATE OF LOUISIANA

- c. Rate Year - The rate year is the one year period from July 1 through June 30 of the next calendar year during which a particular set of rates is in effect. It corresponds to the State's fiscal year.
- d. Base Rates - Base rates were established by assigning each facility to a Capacity/LOC grouping and averaging each facility's issued rate for July 1, 1987 within that group.
- e. Fixed Cost - Interest from line item C-1-17 (Interest (other than capital assets)) and capital costs from Line C-1-52 (Total Cost related to Capital Assets) of the cost report.
- f. Non-Fixed Cost - All other costs not captured in Fixed Cost above. **Effective for dates of service October 29, 1995 and after**, administrative and general support costs are limited to a combined total of twenty-four (24%) per cent of programmatic costs which include plant operation and maintenance, costs related to capital assets, dietary expenses, linen and laundry expenses, housekeeping expenses, personal recipient needs, medical and nursing expenses, therapeutic and training expenses, recreational expenses, consultant expenses, education expenses and in-house ancillary services expenses.

A	
STATE <u>Louisiana</u>	
DATE REC'D <u>1-2-96</u>	
DATE APP'D <u>6-6-01</u>	
DATE EFF <u>10-29-95</u>	
HCFA 179 <u>95-52</u>	

Base Rate Components - Base rates are the summation of the components shown below. Each base rate component is intended to reimburse for the costs indicated by its name. Both cost component amounts are based on averages by facility size grouping and LOC for the base year.

Base Rate Component Economic Adjustment Factor

Non-Fixed Cost Items	CPI - All Items
Fixed Cost	None (1)
Return on Investment	None (2)

- (1) No inflation allowed.  
(2) Adjusted by a return on investment (ROI) factor of 5%

2. Cost Reporting Requirements

a. Initial Reporting

The initial cost report must contain costs for a full twelve-month period and be reported on the State's fiscal year of July 1 through June 30.

**SUPERSEDES: TN . LA 95-38**

N# 95-52 Approval Date 6/6/01 Effective Date 10/29/95  
Supersedes  
TN# 95-38